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NSW

ANNUAL REPORT

2020 / 2021

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PRESIDENT'S REPORT

Chris Duggan

President SCA (NSW)

A period of change

You, along with all of our members and Strata Community Association NSW, have been undergoing a period of important transformation for the industry. But the 2020/21 financial year was extraordinary, as we rose to meet the challenges thrown at us by COVID-19.

More than ever, strata managers have been responsible for important changes, from health measures in lockdowns, through to lifting standards of consumer protections for NSW residents of strata title property.

This past financial year has also seen an incredibly positive change for SCA (NSW), in its work to both support strata managers and its role to advocate for consumers.

Professional Standards Scheme

Most significant of these changes, is the anticipated launch and commencement of the Professional Standards Scheme (PSS) on 1 July 2021. The PSS will be the foundation to take our sector forward over the next 40 years and the take up of participation in the PSS has been very encouraging. Members who participate in PSS are given confidence and validation of their high standards, helping set them apart in the industry. And consumers are given the reassurance of an industry that puts them first and operates at a high standard of professionalism. The Professional Standards Scheme (PSS) is something we can all be proud of.



The team supporting you

Sadiye Ince has been appointed General Manager of SCA (NSW) and working with your Board, she has put into place a small, and very professional team to oversee the independent administration of the PSS. This team has been very active in supporting members through all the changes of COVID-19, and I am sure you would have found them to be incredibly proactive in helping you in your businesses. I congratulate Syd and her staff for the way they have supported the Board over the last 12 months and for their hard work and dedication.

As detailed later in this report, our membership numbers and revenue continue to increase. This allows us to build on our influence on behalf of our membership, and deliver more resources and helpful new developments to our members than ever before.

NSW Government

Our relationship with the NSW Government remains strong, and over the last 12 months, we have worked with NSW Health, the Building Commissioner, the Office of Fair Trading, and Minister Kevin Anderson's office to address challenges as they have impacted strata title property.

Highlights include:

- **Building defects** – Partnership with the Office of the NSW Building Commissioner. Project Remediate has been a core outcome and driver in these discussions with a focus on remediating flammable cladding with around \$139m in funding support for impacted Owners' Corporations.
- **Defect Rectification Guide** – SCA (NSW) was the lead partner in the City Futures defects survey, which culminated in the launch of a guide on dealing with building defects. The aim and subsequent outcome of this project is to inform, advise, and protect all strata stakeholders in NSW on defect issues.
- **Strata Law Review** – SCA (NSW) is currently in talks with Government to finalise the Statutory Strata Law Five-Year Review. No doubt the specific issues highlighted by COVID-19 will help us plan for the future.

- **Property Services Expert Panel** - It was my honour to be named Chair of the Government's inaugural Property Services Expert Panel which, I believe, reflects the brand profile that SCA (NSW) now enjoys after two years of a dedicated campaign to increase our general and media awareness, and our Government advocacy.
- **SCA (NSW)'s work with government** – Individual Board members have worked with government and other stakeholders on issues as varied as rentals, fire safety, embedded networks, and many other areas that impact on Strata. We are now instrumental in the decision-making and legislative process.

An issue that needs to be kept under watch is the North Queensland Insurance Review. SCA (NSW) has been active in participating in discussions to set the platform for an evidence-based and clear response. We will continue to work with SCA National office and Government on shaping a deeply considered solution.

Thank you

Thank you to our members for your work in continuing to further our sector, and attract confidence. For the last four decades, strata in NSW have shown continued growth and professionalism.

Thank you to the Board for your tireless efforts and for the vigour and professionalism you have shown over the last twelve months, despite the disruptions and challenges of the pandemic.

Our secretariat, led by Syd, have also worked from home for many months and have played a key role in guiding the passage and seamless introduction of the PSS.

We are in a good space to tackle the challenges of the next 40 years and you have good reason to be enthused about what is to come.



Chris Duggan
President SCA (NSW)

PROFESSIONAL STANDARDS SCHEME

As we consider the commencement of the SCA (NSW) Professional Standards Scheme on 1 July 2021, it is the most important undertaking in our 40-year history.

It has been met with enthusiasm by strata professionals, government, and partners for its advancement of consumer protections and the professionalism of our sector.

A Professional Standards Scheme is a legal instrument that binds associations, such as SCA (NSW), to monitor, enforce, and improve the professional standards of their members and better protect consumers.

At its core, a PSS exists to help consumers, governments, and professionals distinguish between the genuinely professional and the growing field of people who are simply claiming to be professional.

The last four years have been a demanding process, but a vital one in taking SCA (NSW) to the next level of professionalism for the benefit of an estimated two million NSW residents who own, live, or work in strata title property.

The SCA (NSW) board and newly appointed General Manager, Sadiye Ince, along with her staff, are taking on a tremendous workload to make sure that member needs are met and that the PSS, in the eyes of our members, becomes an asset and not a costly liability with its commencement 1 July 2021.

Three dedicated full-time staff have been appointed to our secretariat to provide necessary support, advice, and assistance to SCA (NSW) members.

Every PSS in Australia, of which there are 15, is overseen by the Professional Standards Councils, which is an independent statutory body that approves, monitors, and enforces Professional Standards

Schemes under three pillars:

1. Protect consumers
2. Improve professional standards
3. Help associations

The landmark SCA (NSW) Professional Standards Scheme mandates that all SCA (NSW) members meet enhanced Professional Standards and abide by the SCA (NSW) Code of Ethics.

It applies to strata management companies and individual strata managers who are members of SCA (NSW) and provide strata management services to consumers who own or reside in strata title properties domiciled in NSW.

Strata managers and strata management companies under the scheme must uphold professional standards through ongoing education.

Under the SCA (NSW) Professional Standards Scheme, SCA (NSW) members are bound:

- By a Code of Ethics that compels them to act honestly, ethically and with a duty of care to their clients
- To comply with formal complaints and discipline regimes in the event, they receive a consumer or industry participant complaint
- To comply with a continuous education regime that is double the current requirement of a strata manager licence or certificate under Fair Trading
- To meet specific practice standards in day-to-day operations
- To agree to regular auditing to ensure compliance with the Code of Ethics

SCA (NSW) is also obliged to report to Professional Standards Australia on member activity and adherence to the SCA (NSW) Professional Standards Scheme.

Together, all these requirements uplift consumer protections, restore consumer confidence, and support the professionalism of strata managers.

SCA (NSW) BOARD OF DIRECTORS

The Board is the SCA (NSW) governing body. During the year, The Board continued to strengthen corporate governance to support the secretariat and deliverables for SCA (NSW). The Board is responsible for setting

short and long-term goals, strategic directions, and policies governing the operations of SCA (NSW) and the conduct of its members.

At the date of this report, the Directors of the NSW Board are:



President - Chris Duggan
Strata Manager (Licensed) Chapter



Senior Vice-President - Tony Irvine
Strata Manager (Licensed) Chapter



Vice-President - Stephen Brell
Strata Manager (Licensed) Chapter



Peter Brisbane
Strata Manager (Licensed) Chapter



Michael Gilday
Strata Manager (Licenced) Chapter



Emily Doherty
Strata Manager (Associate) Chapter



Kirsten Terry
Strata Manager (Associate) Chapter



David Bannerman
Strata Services Chapter



Colin Grace
Strata Services Chapter



Anne-Maree Paull
Strata Services Chapter



Nick Whiley
Strata Owners Chapter
Resigned February 2021

SCA (NSW) COMMITTEES

While the Board is responsible for setting the strategic objectives, the Board delegates certain powers to its Board Committees. The committees oversee research and implement projects in many areas including developing guidelines and codes of practice, making submissions to inquiries held by governments and regulators and advocating the industry's position.

The Board has oversight of the following committees:

COMMITTEES

Professional Conduct & Oversight Committee

Tony Irvine (Chair)

SCA(NSW) Acknowledges and thanks: David Bannerman, Bradley Wood, Phillip Court, Emily Doherty, Catherine Lezer and John Coleman

Professional Strata Management Committee

Peter Brisbane (Chair)

SCA(NSW) Acknowledges and thanks: Robert Fothergill, Nathan Clarke, Rodney Smith, Michael Thompson, Kieran Spink, Olivera Ferguson, Karina Heinz, Andrew Gavin, Dilber Beattie, Michael Gilday and Luke Derwent.

Policy and Legislative Committee

David Bannerman (Chair)

SCA(NSW) Acknowledges and thanks: Colin Grace, Adrian Carr, Katalin Savage, Russell Young, Andrew Tunks, David Ferguson, Joel Holgersson, Andrew Gavin, Daniel Goodwin and Kathryn Mansour.

Strata Services Committee

Anne-Maree Paull (Chair)

SCA(NSW) Acknowledges and thanks: Anthony Conway, Jeff Shawcross, Robert Broadhead, Mark Osborn, Peter Ton, Kathryn Mansour, Aylie Brutman, Scott Shearer, Rick Miller and Caroline McConnachie.

Education Committee

Kirsten Terry (Chair)

SCA(NSW) Acknowledges and thanks: Tully McGann, Jessica Kaye, Liza Perera, Lynne Kopellos, Margaret Gibson, Tim Sara and Matilda Halliday.

Strata Owners Committee

Nick Whiley (Chair)

Resigned February 2021

SCA(NSW) Acknowledges and thanks: Peter Moor, Rick Miller, Sheridan Evans, James McDonald, Margaret Gibson, Sean O'Dea and Michael Batty.





SCA (NSW) OPERATIONS

GOVERNMENT RELATIONS

In order for us to represent your interests well and to advocate for support of the industry and for consumers, it is important to have a constructive relationship with government. And SCA (NSW)'s relationship with all levels of Government in NSW remains strong and productive.

The appointment of NSW Government Building Commissioner, David Chandler, has proven invaluable, not only in the results that have been achieved on behalf of consumers, but in giving SCA (NSW) the opportunity to address the construction standards crisis that has plagued our state for a decade.

Minister for Better Regulation and Innovation, Hon Kevin Anderson MP, together with Commissioner Chandler, have listened to our concerns and our recommendations, and have acted.

Working with government, and in particular Commissioner Chandler and the Office of Fair Trading, SCA (NSW) has made impressive progress over the

2020/21 financial year, which will directly benefit our members and consumers.

This includes:

- Project Remediate to address flammable cladding. Twelve months of representations by our SCA (NSW) and other stakeholders, resulted in \$139m in loan funds being made available to Owners' Corporations impacted by flammable cladding.
- The Professional Standards Scheme, operational from 1 July 2021, involved many hours of discussions, meetings, and coordination with government representatives to finalise this transformational program.
- SCA (NSW) President Chris Duggan was invited by the Minister Kevin Anderson to chair the inaugural Property Services Expert Panel. This appointment recognises the strong voice of SCA (NSW) and has fulfilled one of our strategic goals to play a leading role in assisting Government to improve consumer confidence and rights.
- The NSW statutory five-year Strata Review has been a complex task involving wide consultation with government and we await the outcome of

our submission lodged with government earlier in 2021.

COVID-19 advocacy

As strata managers have needed to navigate the rapid changes brought on by COVID-19, SCA (NSW) has worked closely with NSW Government to give clarity and support on heightened safety measures and restrictions. For example, SCA (NSW) has been a public and vocal advocate for adding cleaners and building managers of strata title buildings to the Authorised Workers list.

The response of strata managers to COVID-19 will lead to new standards in the way strata title property in the future is designed, maintained, and protected from possible new pandemics.

Working from home is now a reality that is here to stay, and SCA (NSW) will be active in making representations to the State Government on how best these COVID-19 driven changes to the way we live and work can be addressed for strata title property into the future.

The cooperation and exchange of information between SCA (NSW) and the State Government, in particular NSW Health and the Office of Fair Trading, have significantly strengthened our sector. In particular, our government relations work benefits members, increases the support for strata managers, and raises standards for residents of strata title buildings.

Northern Australian Insurance Report

Our Board has been heavily involved in overseeing the national response to the Federal Government report into insurance related issues in Northern Australia. This issue has ramifications for the whole of the strata sector in Australia, especially in the way strata managers are remunerated for the many tasks they perform in overseeing strata insurance issues.

Representing our members

During the 2020/21 financial year in review, SCA (NSW) represented its members on issues that impact their work, including:

- Submission to the NSW Fire Protection Accreditation Scheme
- Submission to the NSW Statutory Strata Review and ongoing correspondence and discussions
- Feedback to the NSW Office of Fair Trading on pets in strata regulations
- Response to the NSW Government on COVID-19 regulations and in particular, qualified persons guidelines to address issues such as garbage collection in strata title buildings.

Our government relations has been driven by proactive advocacy both in the media and in other public forums, as well as our ongoing relationship building and collaboration with NSW Government.

The influence of SCA (NSW) is demonstrated in the decision by Minister Anderson to appoint our President, Chris Duggan, to chair the NSW Government Expert Panel on Property Services. This panel comprises the peak organisations in NSW that are involved in providing services to the property sector, and a decision has already been taken to appoint a Property Services Commissioner, hopefully to mirror the success of Building Commissioner David Chandler.

Next twelve months

Looking ahead, we know that the pandemic will bring many challenges the NSW economy and the strata sector, which we are prepared to address. There are also many opportunities for us to work with the NSW Government to further the growth and development of strata management, and to see increased support for our members.

EDUCATION

Ongoing education and upskilling

Strata Community Association (NSW) is an approved provider of Continuing Professional Development (CPD) and delivers tailored education to support strata management professionals throughout their career journey. And the past twelve months saw an increase in the education available to members.

Our CPD program connects you with leaders in the profession, subject matter experts and other strata management professionals.

This is part of an educational experience tailored to the needs of the strata community in line with government regulations, and aims to maximise consumer protection, maintain public confidence, reduce disputes and promote best practice. During 2020/2021, opportunities for upskilling and formal required CPD included:

- Core skills regarding Building Defects and the RAB Act 2020
- COVID-safe business support
- The short-term rental accommodation Code of Conduct
- Business skills and Elective units for class 1 and 2 agents.

SCA (NSW) Education is leading the way on member engagement and member benefit while providing tailored educational solutions to strata managers, service providers, and owners.

The committees ensure SCA (NSW) offers the required topics and content directed by the Department of Fair Trading and offers a variety of topics and formats to suit a range of learning styles and preferences.

The success of our CPD program is a testament to the generosity of our speakers from the industry, business leaders, and government departments.

Because of the high value SCA (NSW) places on providing opportunities for a range of education to its members, it has employed a new full-time Education Manager, Lucy Campbell to work alongside the Education Co-Ordinator. SCA (NSW) have also engaged the services of Vlada Kivenson as a consultant, which will allow for further growth into 2021-2022.

The Education Team is currently undergoing an enhancement of its offering to members so that SCA (NSW) is the first choice for comprehensive training for strata managers. This will include a thorough review to expand our current content and assess how content is produced and presented. The team will be considering the use of different platforms in collaboration with online training such as e-learning modules, workshops, tailored training initiatives and management of all CPD/PSS hours for member companies.

SCA (NSW) will also provide accreditation for any content creators or presenters who dedicate time to the SCA (NSW).

With a new format of events and these new hires, SCA (NSW) continues to ensure members are given opportunities for valuable and timely training and professional development.

MEDIA RELATIONS

As the peak body for strata in NSW and the leading consumer advocate for the estimated two million people who own, live, or work in strata title properties, being visible in the media is key to having a positive influence.

In the 2020/21 financial year, SCA (NSW) has continued to work hard to build our media profile and be recognised as an influential and professional peak organisation.

The media coverage we have achieved has been central to our advocacy, increased membership, and sponsorship and in driving Government relations.

SCA (NSW) is a respected authority and is regularly featured in the media to comment on issues affecting strata managers and residents of strata title buildings.

This is a cornerstone that lends itself to our government relations and advocacy work, as well as improving the overall awareness of strata managers, and elevating the reputation of the industry.

A major focus for SCA (NSW) over the next 12 months will be on our Professional Standards Scheme as well as leveraging our working relationships with Building Commissioner David Chandler and Minister for Better Regulation and Innovation, Hon Kevin Anderson MP.

In the last year, we have worked in partnership with the Commissioner's office and the Minister's office to promote joint messaging on pertinent issues affecting our members and consumers. We look forward to collaborating with them further.

The next twelve months will see SCA (NSW) amplify its message through the media, to strengthen the sector, increase support for our members, advocate for consumers, and encourage positive working relationships.

SPONSORS

SCA (NSW) is pleased to honour the ongoing support of our sponsors, who are listed below. Our sponsors are our trusted and preferred suppliers in their area of expertise, and we thank them for their ongoing commitment to SCA (NSW) and our mission to support, equip, and empower our members to be the very best they can be.

Platinum

- Bannermans Lawyers
- Macquarie Bank Limited
- CHU Underwriting Agencies
- Express Glass

Gold

- Body Corporate Brokers
- Grace Lawyers
- Paynter Dixon Remedial
- Premier Painting
- Savant Energy
- StrataMax
- Quatrix

Silver

- 2020 Fire Protection
- AGC Roof Maintenance
- Equity Elevators Consulting
- Lannock Strata Finance
- Kelly + Partners

Bronze

- Johns Lyng Group
- Poolwerx
- Strata Unit Underwriters
- Windowline

EVENTS

Each year, SCA (NSW) offers members a variety of events from social events to formal dinners and the popular Annual Convention. SCA (NSW)'s well-renowned calendar of events is designed to help members strengthen their professional networks and celebrate excellence in our industry, along with providing the all-important tools, skills, and opportunities to increase professional development.



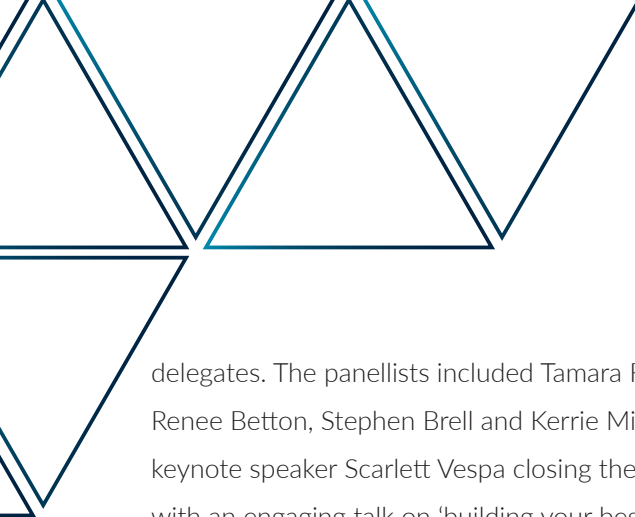
The ongoing effects of the COVID-19 pandemic across the 2020-2021 calendar meant there was a reduction of major events including the Annual Convention and the Principals Retreat, both of which were cancelled in line with continuing government health advice. SCA (NSW) attempted to reschedule as many events as possible ensuring the safety of our members.

The 2020 Principals Night Off (PNO) was our first major event post-lockdown, attracting 50 delegates to the Peppers Craigieburn in Bowral. The delegates workshopped a variety of topics including Your Time Matters, how to work smarter, proposed changes to the Property, Stock and Business Agents Act, and were given an introduction to the Professional Standards Scheme. The PNO was an overwhelming success with the delegates eager to network after a two-month lockdown.

The always popular SCA (NSW) Express Glass Golf Day was held in December at a new venue St Michaels Golf Course, with a reduction of numbers due to COVID-19. We had an eager 108 attendees play an 18-hole game followed by a networking lunch. We again supported the charity Ronald McDonald House and donated \$20,300. We thank our Naming Rights Sponsor, Express Glass,

In February, 14 yachts competed in the 2021 Sailing Day which started and finished at the Cruising Yacht Club of Australia at Rushcutters Bay. The winning team, Core Project Consultants, were cheered on by a reduced number of 270 delegates. This year's networking event following the race was cancelled due to the COVID-restrictions.

The High Tea International Women's Day event reached our largest attendance number of 220



delegates. The panellists included Tamara Ford, Renee Betton, Stephen Brell and Kerrie Miller, with keynote speaker Scarlett Vespa closing the event with an engaging talk on ‘building your best self for a successful sustainable future.’

The 2021 Principals Night Off was held in April at the Mercure Kooindah Waters Hotel in the Central Coast. The delegates workshopped defects and project management, digital transformation, workplace flexibility, and preparing for the Professional Standards Scheme. We enjoyed a record number of attendees this year, with 59 delegates and two partners. This event was a sensational success, with our attendees particularly enjoying the grape to glass activity, which resulted in each member taking a bottle of wine home as a keepsake.

The SCA (NSW) Express Glass Golf Day was held in May at St Michaels Golf Course, yet another sold-out event with 180 delegates competing in 34 teams. This year, team Energy Trade won the team event. For the non-golfers who are yet to be converted, Champagne on the Green saw 20 participants, with the event donating \$5,000 for Ronald McDonald House. Nineteen companies sponsored the day, from individual holes to the drinks cart. Thanks to our naming rights sponsor, Express Glass.

AWARDS

SCA (NSW)'s awards are the perfect opportunity to celebrate excellence within our industry. This year, we were able to showcase our awards evening in a blended in-person and virtual format to help comply with ongoing COVID-19 restrictions.

The SCA (NSW) 2020 CHU Strata Community Awards were held at the Hyatt Regency in October. Restrictions meant that only the finalists and sponsors were able to attend in person. The event saw a total of 130 attendees in-person, with over 400 watching the live stream from home. Members received awards across eleven categories, nine of which aligned with the Australasian Awards. Four of our finalists Tamara Ford, Jessica Kaye, Strata Choice and Vantage Strata also scored a win in their respective categories at the Australasian Strata Awards.

FINANCIAL REPORT

2020/2021



Directors' Report

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2021.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Occupation	Date Appointed
Chris Duggan	President	09/10/2009
Tony Irvine	Senior Vice President, Treasurer	27/10/2016
Stephen Brell	Vice President	20/10/2017
Anne-Maree Paull	Vice President	25/10/2018
David Bannerman	Company Director	26/10/2007
Colin Grace	Company Director	19/10/2012
Peter Brisbane	Company Director	24/10/2019
Emily Doherty	Company Director	24/10/2019
Kirsten Terry	Company Director	25/10/2018
Michael Gilday	Company Director	24/10/2019
Nick Whiley	Company Director	27/03/2019

Principal activities

During the financial year the principal continuing activities of the company consisted of:

- The promotion of a high standard of expertise and integrity in the management of group title properties and provision of services to group title properties.
- The promotion of education, discourse and instruction about any matter relating to the management of group title properties.
- The promotion of ethical standards of conduct in dealings by members of the company with their clients or the general public.
- The provision of assistance and information about management of group title properties to its members and to members of the general public.
- The enhancement of recognition by the public of the company and of its members in their management of and provision of services to group title properties, including representation of the views of the company and its members to government and other bodies.
- The performance of any regulatory, educational or supervisory function of the company according to the requirements of government.
- The promotion of professional relationships with persons practicing group title management or providing other services to group title properties in other states and territories of Australia and other countries.
- The performance of all such other things as are necessary, incidental or conducive to the attainment of these objects.

Directors' Report (continued)

Operating results

Operating surplus for the year after income tax amounted to \$177,838 (2020 \$80,518).

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

Name	Meetings Eligible to Attend	Meetings Attended
Chris Duggan	5	5
Tony Irvine	5	5
Stephen Brell	5	5
Anne-Maree Paull	5	5
David Bannerman	5	5
Colin Grace	5	5
Peter Brisbane	5	4
Emily Doherty	5	5
Kirsten Terry	5	5
Michael Gilday	5	5
Nick Whiley	5	1

Held: represents the number of meetings held during the time the director held office.

Directors' indemnity

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Number of Members

The number of members at 30 June 2021 was 3,845 (2020: 3,429), which was broken up as follows

	2021	2020
Life	22	20
Strata Manager	2,074	2,043
Supplier	537	553
Owners	1,212	813
Total	3,845	3,429

Directors' Report (continued)

Directors transactions

No director of the company has received or become entitled to receive a benefit because of a contract made by the company or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for a Presidents honorarium paid to Mr C Duggan of \$16,000.

David Bannerman, while a director of SCA (NSW), his legal firm, Bannermans Lawyers, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Colin Grace, while a director of SCA (NSW), his legal firm, Grace Lawyers, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Anne-Maree Paull, while a director of SCA (NSW), her employer, CHU Underwriting Agencies, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Events after the reporting period

Owner Chapter will be converted to Subscribers.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Director - C. Duggan
5_ October _ 2021



Director - A. Irvine

Auditors Independence Declaration

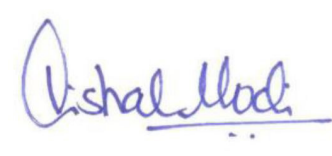
To the Board of Directors of Strata Community Association (NSW) Limited

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia Sydney Audit Pty Ltd



Vishal Modi
Director

Dated on this 5th day of October 2021

Sydney

General information

The financial statements cover Strata Community Association (NSW) Limited as an individual entity. The financial statements are presented in Australian dollars, which is Strata Community Association (NSW) Limited's functional and presentation currency.

Strata Community Association (NSW) Limited is a company limited by guarantee, incorporated and domiciled in Australia.

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 5 October 2021.

The directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income for the year ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue	4	1,604,480	2,105,327
Other income	5	101,070	52,245
Expenses			
Accounting and audit fees		10,485	13,927
Membership and subscriptions		262,315	215,728
Communications and public relations		86,691	137,271
Employee benefits expense		469,402	686,698
Events and education		261,250	719,826
Depreciation and amortisation expense	6	37,605	17,797
Consulting fees	7	231,106	16,785
Occupancy costs		74,575	98,519
Insurance expenses		11,208	12,701
Telephone and internet		30,466	42,452
Printing and stationery		17,627	25,934
Travel and accommodation		21,781	53,139
Bank fees and charges		5,290	5,018
Board expenses		17,952	19,054
Finance costs		1,085	-
Doubtful debt (recovered)/expense		11,250	11,250
Other expenses		124	955
Total expenses		<u>1,527,712</u>	<u>2,077,054</u>
Surplus before income tax expense		177,838	80,518
Income tax expense		-	-
Surplus after income tax expense for the year	18	177,838	80,518
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>177,838</u>	<u>80,518</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2021

		2021	2020
	Note	\$	\$
Assets			
Current assets			
Cash and cash equivalents	8	642,662	367,946
Trade and other receivables	9	22,111	155,107
Other assets	11	348,539	374,222
Total current assets		<u>1,013,312</u>	<u>897,275</u>
Non-current assets			
Property, plant and equipment	12	12,141	29,319
Right-of-use assets	10	84,625	-
Other intangible assets (PSS)	13	-	53,000
Total non-current assets		<u>96,766</u>	<u>82,319</u>
Total assets		<u>1,110,078</u>	<u>979,594</u>
Liabilities			
Current liabilities			
Trade and other payables	14	63,764	99,339
Lease liabilities	15	28,909	-
Employee benefits	16	48,352	42,291
Other liabilities	17	91,995	190,548
Total current liabilities		<u>233,020</u>	<u>332,178</u>
Non-current liabilities			
Lease liabilities	15	44,460	-
Employee benefits	16	7,344	-
Total non-current liabilities		<u>51,804</u>	<u>-</u>
Total liabilities		<u>284,824</u>	<u>332,178</u>
Net assets		<u>825,254</u>	<u>647,416</u>
Equity			
Retained earnings	18	825,254	647,416
Total equity		<u>825,254</u>	<u>647,416</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity For the year ended 30 June 2021

	Retained earnings	Total equity
	\$	\$
Balance at 1 July 2019	566,898	566,898
Surplus after income tax expense for the year	80,518	80,518
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>80,518</u>	<u>80,518</u>
Balance at 30 June 2020	<u>647,416</u>	<u>647,416</u>
	Retained earnings	Total equity
	\$	\$
Balance at 1 July 2020	647,416	647,416
Surplus after income tax expense for the year	177,838	177,838
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>177,838</u>	<u>177,838</u>
Balance at 30 June 2021	<u>825,254</u>	<u>825,254</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 30 June 2021

		2021	2020
	Note	\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,913,992	2,163,303
Payments to suppliers and employees (inclusive of GST)		(1,606,508)	(2,393,981)
		307,484	(230,678)
Interest received		-	2,245
Interest and other finance costs paid		(1,085)	-
Net cash from/(used in) operating activities	21	306,399	(228,433)
Cash flows from investing activities			
Payments for property, plant and equipment	12	-	(2,449)
Net cash used in investing activities		-	(2,449)
Cash flows from financing activities			
Repayment of lease liabilities		(31,683)	-
Net cash used in financing activities		(31,683)	-
Net increase/(decrease) in cash and cash equivalents		274,716	(230,882)
Cash and cash equivalents at the beginning of the financial year		367,946	598,828
Cash and cash equivalents at the end of the financial year	8	642,662	367,946

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 30 June 2021

Note 1. Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Strata Community Association (NSW) Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Strata Community Association (NSW) Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures'.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Notes to the financial statements

For the year ended 30 June 2021

Note 2. Significant accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The tax expense recognised in the statement of surplus or deficit comprises of current income tax expense. Current tax is the amount of income taxes payable (recoverable) in respect of the taxable surplus (deficit) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Non member income of the company is only assessable for income tax, as member income is excluded under the principle of mutuality.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to

Notes to the financial statements

For the year ended 30 June 2021

Note 2. Significant accounting policies (continued)

be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Notes to the financial statements

For the year ended 30 June 2021

Note 2. Significant accounting policies (continued)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted

for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of

Notes to the financial statements

For the year ended 30 June 2021

Note 2. Significant accounting policies (continued)

fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Notes to the financial statements

For the year ended 30 June 2021

Note 2. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2021. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the financial statements

For the year ended 30 June 2021

Note 4. Revenue

	2021	2020
Membership	825,758	800,454
Sponsorship	443,200	534,817
Events and education	327,153	767,338
Other accreditation	2,955	1,818
Publications	5,414	900
	<u>1,604,480</u>	<u>2,105,327</u>

Note 5. Other income

	2021	2020
Government subsidies	87,500	50,000
Interest income	-	2,245
Parental leave funds	13,570	-
	<u>101,070</u>	<u>52,245</u>

Note 6. Depreciation and amortisation expense

	2021	2020
Depreciation	17,178	17,797
Amortisation (right-of-use assets)	20,427	-
	<u>37,605</u>	<u>17,797</u>

Note 7. Consulting fees

	2021	2020
Contribution for multi-unit strata housing research projects	25,000	-
Contribution for insurance research project	16,188	-
General legal and consulting expenses	35,282	16,785
Consulting for professional standards scheme	154,636	-
	<u>231,106</u>	<u>16,785</u>

Note 8. Cash and cash equivalents

	2021	2020
Current assets		
Cash at bank	642,662	367,946
	<u>642,662</u>	<u>367,946</u>

Notes to the financial statements

For the year ended 30 June 2021

Note 9. Trade and other receivables

	2021	2020
Current assets		
Trade receivables	18,742	55,927
Less: Allowance for expected credit losses	-	(11,250)
	<u>18,742</u>	<u>44,677</u>
	3,369	110,430
	<u>22,111</u>	<u>155,107</u>

Note 10. Right-of-use assets

	2021	2020
Non-current assets		
Land and buildings - right-of-use	105,052	-
Less: Accumulated depreciation	(20,427)	-
	<u>84,625</u>	<u>-</u>

Note 11. Other assets

	2021	2020
Current assets		
Prepayments	276,503	320,997
Security deposits	72,036	53,225
	<u>348,539</u>	<u>374,222</u>

Note 12. Property, plant and equipment

	2021	2020
Non-current assets		
Fixtures and fittings - at cost	60,893	60,893
Less: Accumulated depreciation	(60,893)	(57,819)
	<u>-</u>	<u>3,074</u>
Office equipment - at cost	104,068	104,068
Less: Accumulated depreciation	(91,927)	(77,823)
	<u>12,141</u>	<u>26,245</u>
Intangibles - at cost	157,328	157,328
Less: Accumulated depreciation	(157,328)	(157,328)
	<u>12,141</u>	<u>29,319</u>

Notes to the financial statements

For the year ended 30 June 2021

Note 13. Other intangible assets (PSS)

	2021	2020
Non-current assets		
Other intangible - PSS	-	53,000
SCA rebranding	22,408	22,408
Less: Accumulated amortisation	(22,408)	(22,408)
	<u>-</u>	<u>53,000</u>

Note 14. Trade and other payables

	2021	2020
Current liabilities		
Trade payables	27,664	38,492
GST payable	382	-
Other payables	35,718	60,847
	<u>63,764</u>	<u>99,339</u>

Note 15. Lease liabilities

	2021	2020
Current liabilities		
Lease liability	<u>28,909</u>	-
Non-current liabilities		
Lease liability	<u>44,460</u>	-

Note 16. Employee benefits

	2021	2020
Current liabilities		
Annual leave	32,899	32,90
Long service leave	15,453	9,386
	<u>48,352</u>	<u>42,291</u>
Non-current liabilities		
Long service leave	<u>7,344</u>	-

Notes to the financial statements

For the year ended 30 June 2021

Note 17. Other liabilities

	2021	2020
Current liabilities		
Unearned income	91,995	190,548

Note 18. Retained earnings

	2021	2020
Retained earnings at the beginning of the financial year	647,416	566,898
Surplus after income tax expense for the year	177,838	80,518
Retained earnings at the end of the financial year	825,254	647,416

Note 19. Contingent liabilities

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (2020: Nil).

Note 20. Events after the reporting period

Owner Chapter will be converted to Subscribers.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 21. Reconciliation of surplus after income tax to net cash from/(used in) operating activities

	2021	2020
Surplus after income tax expense for the year	177,838	80,518
Adjustments for:		
Depreciation and amortisation	37,605	17,797
Other intangible assets (PSS) written off to expense	53,000	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	132,996	(93,673)
Decrease/(increase) in prepayments	25,683	(43,973)
Decrease in trade and other payables	(35,575)	(20,926)
Increase/(decrease) in employee benefits	13,405	(11,143)
Increase in income in advance	(98,553)	(157,033)
Net cash from/(used in) operating activities	306,399	(228,433)



Notes to the financial statements For the year ended 30 June 2021

Note 22. Company details

The registered office and principal place of business of the company is:
Suite 102 Level 1
845 Pacific Highway
Chatswood NSW 2067

Directors' declaration

For the year ended 30 June 2021

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements.
- Accordingly, as described in note 2 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Strata Community Association (NSW) Limited;
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 2 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Director - C. Duggan
5 October 2021



Director - A. Irvine

Independent Auditor's Report to the Members of Strata Community Association (NSW) Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of Strata Community Association (NSW) Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter regarding basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described

in Note 1 to the financial statements is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.

Nexia Sydney Audit Pty Ltd




Vishal Modi
Director

Dated on this 5th day of October 2021



Strata Community Association (NSW) Ltd

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